

DAILY BULLETIN

DECEMBER 20, 2004

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UNITED STATES FORGIVES 100 PERCENT OF IRAQI DEBT

State's Powell, Treasury's Snow call on other nations to follow suit

By David Shelby
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Washington -- The U.S. government has written off 100 percent of Iraq's sovereign debt to the United States, a total of \$4.1 billion, with an agreement signed by Secretary of State Colin Powell, Treasury Secretary John Snow and Iraqi Finance Minister Adil Abd al-Mahdi December 17.

"Lifting the crushing burden of the old regime's debt is one of the most important contributions we can make to Iraq's new beginning," Powell said at the signing ceremony.

Minister al-Mahdi noted that Iraq was a donor nation in the early 1970s, but he said, "Over two decades, all the fortunes and wealth of Iraq were destroyed. Instead of having billions of reserves, Iraq was left with billions in debts."

The minister blamed the former regime of Saddam Hussein for wasting Iraq's wealth in wars with its neighbors.

Secretary Snow said, "The situation that Iraq faces is unprecedented, and the response of the world community needed to be unprecedented as well." He said dramatic debt relief is necessary if Iraq is to be able to reintegrate into the world community.

The agreement to write off Iraq's debt to the United States follows a decision by the Paris Club of creditor nations to write off 80 percent of Iraq's debt to its members in a three-phase process over the next four years. The November agreement of the Paris Club reduced Iraq's debt to the member nations from \$38.9 billion to \$7.8 billion.

Al-Mahdi characterized the Paris Club agreement as "a second liberation of Iraq after the fall of Saddam Hussein." He said that liberating the economy is an important part of liberating Iraq.

Powell hailed the debt relief that Iraq has received saying, "Rather than financing the vices of the old tyrant, Iraq's treasures and resources are being used to bolster security and build infrastructure, to care for the nation's elderly and educate its young people."

Prior to receiving debt relief from the Paris Club and the United States, Iraq's total external obligations stood at \$127 billion. As part of the Paris Club arrangement, Iraq is required to seek comparable reductions from other lenders. U.S. officials explain that the Paris Club has a pattern of setting the parameters for debt relief. When the Paris Club agrees on a reduction, other creditors are expected to follow suit. The officials are confident that Iraq will receive at least a comparable 80 percent write off from its remaining lenders.

Al-Mahdi said that the agreements with the Paris Club and the United States provide momentum as Iraq moves forward in discussions with other lenders.

Snow added that the United States is prepared to help Iraq negotiate debt relief with other countries. Powell said that he hopes other lenders will go beyond the expected 80 percent reduction and forgive all of Iraq's debt, as the United States has done.

Al-Mahdi said, "We need each cent, each dollar for the development process." Powell added, "The international community must ensure that the path to progress is as clear as possible."

Powell called the signing of the debt relief agreement a beginning rather than an end, saying, "In the coming months and years, the United States will continue to stand by the people of Iraq and the elected government that will soon speak on their behalf after the elections next month."

U.S. HAILS EU DECISION TO BEGIN ACCESSION TALKS WITH TURKEY

Powell says membership would benefit both Turkey and EU

Secretary of State Colin Powell welcomed the European Union's decision to begin accession negotiations with Turkey on October 3, 2005.

In a statement issued December 17, Powell noted that several U.S. administrations have supported Turkey's aspirations to join the EU.

"We are confident that the accession process, and Turkey's eventual membership in the European Union, will bring great benefits to Turkey and to the European Union," he said.

Following is Powell's statement:

Statement by Secretary of State Colin L. Powell
December 17, 2004

Agreement on Start of Accession Talks Between Turkey and the European Union

The United States welcomes today's decision by the European Union to begin accession negotiations with Turkey on October 3, 2005. We congratulate both the European Union and Turkey on this historic day. Today's positive decisions reflect Turkey's impressive reform accomplishments and are a great success for both Turkey and the European Union. We are confident that the accession process, and Turkey's eventual membership in the European Union, will bring great benefits to Turkey and to the European Union. The Turkish people have much to look forward to. A Turkey that is firmly anchored in Europe and sharing European values will be a positive force for prosperity and democracy. This is good for Turkey, for the broader European region, and for the United States, and that is why successive U.S. Administrations have consistently supported Turkey's European aspirations.

MISSION OF U.S. INTELLIGENCE COMMUNITY IS DIVERSE

15 agencies share intelligence responsibilities

The post of national intelligence director established by the new intelligence reform law will oversee a federation of executive branch agencies and organizations working separately and together. Following is a fact sheet on those organizations and their operations, as prepared by the State Department's Bureau of International Information Programs.

The law to revise the U.S. Intelligence Community creates a national intelligence director with broad budget power to oversee the work of the current 15 intelligence agencies.

In the Intelligence Reform and Terrorism Prevention Act approved by Congress and signed into law by President Bush, the director has strategic authority to determine a unified direction for intelligence gathering and operations for the whole intelligence community, and is accountable for all operations. He also has the authority to develop and determine the annual, classified intelligence budget.

Previously, the director of central intelligence (DCI), who was also director of the Central Intelligence Agency, had some authority to coordinate the work of the other intelligence community members, but no budgetary and personnel control. The DCI position will no longer have that coordination authority.

The law also establishes a National Counterterrorism Center with authority to plan intelligence missions and counterterrorism operations.

However, the current intelligence community structure -- a federation of executive branch agencies and organizations working separately and together -- remains intact as created by the 1947 National Security Act to conduct intelligence activities.

Those activities include:

- Collection of information needed by the president, the National Security Council, the secretaries of state and defense, and other executive branch officials for the performance of their duties and responsibilities;

- Production and dissemination of intelligence and analysis to policy-makers;

- Collection of information concerning, and the conduct of activities to protect against, intelligence activities directed against the United States, international terrorist and international narcotics activities, and other hostile activities directed against the United States by foreign powers, organizations, persons, and their agents;

- Administrative and support activities within the U.S. and abroad necessary for the performance of authorized activities; and

- Such other intelligence activities as the president may direct.

The following is a list that profiles the current 15 member agencies of the intelligence community:

- Army, Navy, Air Force, and Marine Corps intelligence organizations -- each collects and processes intelligence relevant to the particular armed service's needs.

- Central Intelligence Agency (CIA) -- provides accurate, comprehensive, and timely foreign intelligence on national security topics to national policy and decision makers.

- Coast Guard Intelligence -- deals with information related to U.S. maritime borders and Homeland Security.

- Defense Intelligence Agency (DIA) -- provides timely and objective military intelligence to regional combatant commanders, policy-makers, and force planners.

- Department of Energy -- performs analyses of foreign nuclear weapons, nuclear non-proliferation, and energy security-related intelligence issues.

- Department of Homeland Security (DHS) -- prevents terrorist attacks within the United States, reduces America's vulnerability to terrorism, and minimizes the damage and recovers from attacks that may occur.

- Department of State -- analyzes information affecting U.S. foreign policy.

- Department of Treasury -- collects and processes information that may affect U.S. fiscal and monetary policy, and terrorist financing.

-- Federal Bureau of Investigation (FBI) -- deals with counterterrorism, both domestic and international, counterespionage, and data about international criminal cases.

-- National Geospatial-Intelligence Agency (NGA) -- provides timely, relevant, and accurate geographic intelligence in support of national security.

-- National Reconnaissance Office (NRO) -- coordinates collection and analysis of information from airplane and satellite reconnaissance by the military services and the CIA.

-- National Security Agency (NSA) -- collects and processes foreign signals intelligence information for national leaders and combatant commanders, and protects critical U.S. information security systems from compromise.

All the responsibilities of the CIA, DIA, NSA, NRO, and NGA are concerned with intelligence. Therefore, each of these organizations in its entirety is considered to be a member of the intelligence community.

The other organizations are concerned primarily with missions and business other than intelligence, but do have intelligence responsibilities. In these cases, only the part of the organization with the intelligence responsibility is considered to be a part of the community.

U.S. PURSUES COOPERATIVE APPROACH TO A LIMITED MISSILE DEFENSE

Rademaker says missile defense enhances security

The growing threat from unsophisticated ballistic missiles suggests that large cities, not military facilities, would be potential targets in the future, according to a top U.S. arms control official.

Stephen Rademaker, assistant secretary of state for arms control, says there is a growing risk that hostile nations could launch ballistic missiles equipped with weapons of mass destruction "to all parts of Europe within a decade."

In a December 17 keynote address to the American Foreign Policy Council in Washington, Rademaker said if North Korea should sell indigenous longer-range ballistic missiles to Middle Eastern clients, as it has done with its shorter-range missiles, "the risk to our friends and allies could grow exponentially."

He said more and more countries want to cooperate with the United States in the pursuit of missile defense because there is a realization that doing so will enhance their security. There is also a greater understanding, Rademaker said, that "arms control and strategic stability will not be weakened by missile defense."

The assistant secretary also said the technology for missile defense is proving itself "not withstanding the predictable setbacks from time to time." His remarks follow a failed December 15 missile defense test caused when a missile interceptor did not launch properly. The technology for this program "will only get better over time," Rademaker told the participants who were attending a full-day conference on "Missile Defenses and American Security."

Already there are about a dozen nations, including some he described as the world's least responsible, in possession of ballistic missiles; some are trying to boost the range of those missiles, while others have nuclear, biological or chemical weapons programs under way.

North Korea is working to expand its nuclear capability, according to Rademaker, and Iran also is seeking such a capability.

The assistant secretary added that some 18 countries are either actively working with the United States or discussing missile defense cooperation. He mentioned Japan, the United Kingdom, Denmark, Australia, Canada, Israel, the Netherlands, Germany, Italy, Russia, Turkey, Spain, Poland, the Czech Republic, Hungary, Ukraine, Taiwan and India. NATO also is heavily involved, he said.

The desire to pursue missile defense cooperation is being reciprocated, according to Rademaker. The number of nations with which the United States is cooperating in some fashion is continuing to grow, he said, "as is the intensity of that cooperation."

Rademaker said the limited number of missile defense interceptors that the United States is deploying in California and Alaska (16 by 2005), and perhaps a few more

in Europe, demonstrates the limited scope of the architecture and underlines the fact that it is “directed against attacks by rogue states.”

Missile defense is not directed toward Russia, he said, and even if there were a future third missile interceptor site in Europe it would not undermine Russia’s nuclear deterrent. Rademaker said U.S. officials are keeping Russia informed about discussions that might lead to a possible third site.

“We want missile defense cooperation to be an important part of the new relationship the United States and Russia are building for the 21st century,” he said, but bilateral cooperation, so far, has been very slow. Still, Rademaker said, U.S. and Russian experts are negotiating toward a Defense Technical Cooperation Agreement that could make it easier for both government-to-government and industry-to-industry missile defense cooperation. He expressed hope that, even before the two nations sign such an agreement, industrial partnering will move ahead.

ECONOMIC DEVELOPMENT ESSENTIAL TO ADDRESS CLIMATE CHANGE

United States does not favor mandatory steps to cut greenhouse gas emissions

Economic development is essential for adopting climate-change measures, and the United States is using a multifaceted strategy to address greenhouse gas emissions, U.S. officials said in a press briefing December 16, during the 10th anniversary of the entry into force of the U.N. Framework Convention on Climate Change (UNFCCC) taking place in Buenos Aires, Argentina, December 6-17.

Paula Dobriansky, under secretary of state for global affairs and head of the U.S. delegation to the climate change meeting, said the United States has launched five multilateral greenhouse gas partnerships, including the Methane to Markets Partnership, the International Partnership for a Hydrogen Economy and the Carbon Sequestration Leadership Forum.

“The United States has established bilateral climate partnerships with 14 countries and regional organizations that, together with the United States, account for over 70 percent of global greenhouse gas emissions,” she said.

Judith Ayres, assistant administrator for international affairs at the Environmental Protection Agency (EPA), described an EPA program called Climate Leaders, a voluntary industry-government partnership that encourages companies to develop comprehensive climate-change strategies.

The program, launched in 2002, includes 62 corporate partners, and 27 of those have announced greenhouse gas reduction targets, Ayres said. The combined U.S. revenues of Climate Leaders partners equal 6 percent of the U.S. gross domestic product.

Participants work with EPA to develop corporate-wide greenhouse gas emissions inventories, develop greenhouse gas reduction goals and track progress toward the goals, she added.

Jacqueline Schafer, assistant administrator for international affairs at the U.S. Agency for International Development (USAID), discussed the process of adaptation to climate-related risks and USAID activities to support nations in figuring out how they might adapt their ways of life to climate change. Eventually, she said, USAID expects to incorporate adaptation to the influence of climate into all development-assistance activities.

Dobriansky said the United States is committed to the ultimate objective of the U.N. Framework Convention on Climate Change but does not favor mandatory steps, targets or timetables to reduce greenhouse gas emissions.

“The very essence of our approach is one that places a premium on the development and the deployment of transformational technologies,” she said. “This is a long-term process in which there need to be sustained efforts.”

U.S. SHOULD JOIN U.N. OCEANS TREATY, STATE DEPARTMENT SAYS

Law of the Sea treaty important to overall oceans policy, Boucher says

The U.S. State Department is reemphasizing the importance of U.S. ratification of the U.N. Convention on the Law of the Sea, as President Bush sends a new action plan on management of ocean and coastal resources to the U.S. Congress December 17.

In a statement, department spokesman Richard Boucher said of the administration's proposals, "The Action Plan emphasizes the importance we continue to place on accession to the treaty, which will serve the interests of the American people."

The text of the Boucher statement follows:

December 17, 2004

U.S. Ocean Action Plan

Today President Bush submitted the "U.S. Ocean Action Plan" to Congress in response to the recommendation made by the U.S. Commission on Ocean Policy. The activities outlined in the Administration's response will help assure that the benefits we currently derive from our oceans, coasts, and Great Lakes, will be available to future generations. A copy of the plan is available at <http://www.oceans.ceq.gov>.

The Commission urged the United States to maintain its traditional international leadership role on oceans issues, particularly by acceding to the UN Convention on the Law of the Sea at the earliest opportunity. The Action Plan emphasizes the importance we continue to place on accession to the treaty, which will serve the interests of the American people. Many of the other actions identified in the Administration's response will involve working with the international community, including efforts to protect ocean ecosystems, strengthen international ocean science, and work towards sustainable fisheries.

These measures will ensure that the United States continues to play a leading role in vital global arena.